

Tourism Resilient in the Caribbean: Prospects for U.S. Food Exports Are Good

By Aldo Arias

U.S. consumer food exports to the Caribbean region increased 7.7 percent in 2001 to a record \$667 million—in spite of a worldwide economic downturn and a decline in tourism. Signs are extremely positive that the tourism industry, the economic lifeblood of the Caribbean, is picking up its habitual rhythm of growth in the second half of 2002, as business travel resumes and consumer confidence returns.

Tourism Outlook

During 2001, Caribbean tourism was off 3.5 percent from the previous year. However, the 2001 figures do not look too bad when you consider that 2000 set a record due to all the special events associated with the millennium. And because of the Caribbean's tourism promotion, with a special focus on security, family and discounts, the downturn was less severe than expected.

Experience has shown tourism to be one of the world's most resilient industries. Recently, the Caribbean Basin has been aggressively marketing tourism to Americans as well as Europeans and Canadians. Campaigns targeting non-U.S. visitors have focused on the Caribbean as a distinct region providing a unique travel experience as well as a safe haven for cultural and business exchanges. To the U.S. market, the Caribbean is being sold as a stable destination, close to home.

Innovative promotions have sold the Caribbean to international travel organi-



zations as a region offering a contrast between everyday existence and the Caribbean's sand, sun, fun, entertainment and calm. Examples of promotions have included family packages, discount theme holidays, elimination of minimum-stay requirements, lower fees for weddings and honeymoons and incentives for travel agents.

A Top Vantage Point

The resurgence of tourism in the Caribbean means that the region will have to feed millions of visitors. For U.S. food exporters, the Caribbean will remain a vital market. The Caribbean is highly dependent on U.S. agricultural products, and U.S. food suppliers hold a huge competitive advantage in the region's hotel, restaurant and institutional sectors.

Products in particularly high demand include fresh produce, juices, soft drinks, dairy products, meats, seafood, dry goods and specialty foods.

In sending food items to the Caribbean, U.S. companies are in a command position. They are essentially trading "in their own backyard," and already hold sizeable market shares of all food products sold to the region. In this instance, "close to home" should be an advantage for U.S. suppliers, not only in terms of transportation costs and convenience, but also because many of the increasing numbers of tourists are American, and have American tastes. ■

The author, a Hispanic Association of Colleges and Universities intern attending the California State University at Fullerton, served as a marketing specialist in FAS' Caribbean Basin Agricultural Trade Office (CBATO) in Miami, Fla.

For more information about Caribbean markets for U.S. agricultural products, contact that office at: Tel.: (305) 536-5300; Fax: (305) 536-7577; E-mail: cbato@cbato.net

Caribbean Contacts

Retail sector, food service sector and agricultural import requirement reports on Caribbean countries are available online. To find them on the Web, go to **www.fas.usda.gov**, select **Attaché Reports** and choose one of three categories and an individual country or the Caribbean Basin region. For details of the report on which this story was based, see FAS Report C12002.

At the CBATO Web site, **www.cbato.fas.usda.gov**, you will find additional reports and more information.

